

REGULATION

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Subject: CONDUCTING EMPLOYEE RATINGS			

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1. PURPOSE

This regulation establishes the standards and procedures approved by the state personnel director for conducting employee ratings.

2. CIVIL SERVICE COMMISSION RULE REFERENCE

Rule 2-3 Performance Ratings

2-3.1 Rating System

- (a) ***Regulations.*** *The state personnel director shall issue regulations to establish a system of probationary ratings, annual ratings, interim ratings, and follow-up ratings for appointing authorities to evaluate and report employee performance and behavior.*
- (b) ***Ratings.***
- (1) ***Types of performance ratings.*** *A rating issued under this rule is a single overall evaluation of the performance and behavior of the employee for the relevant rating period:*
- (A) ***Probationary rating.*** *A probationary rating rates the overall performance and behavior of the employee as either satisfactory or unsatisfactory.*
- (B) ***Annual rating.*** *An annual rating rates the overall performance and behavior of the employee as either satisfactory or needs improvement.*
- (C) ***Interim and follow-up ratings.*** *An interim rating rates the performance or behavior of the employee as unsatisfactory. A follow-up rating rates the overall performance of the employee as either satisfactory or unsatisfactory.*
- (2) ***Methods.*** *Unless provided otherwise in the regulations, an appointing authority may use any appropriate performance rating method developed or approved by the department of civil service to evaluate and rate employees. If an approved rating method yields overall performance evaluation categories different than those in subsection (b)(1), the categories must equate to the overall performance categories required in subsection (b)(1).*
- (3) ***Component parts.*** *If an overall rating is satisfactory, a negative evaluation on an individual subpart of the performance evaluation, such as an individual objective, competency, or factor, is not grievable or reviewable in the departmental review procedure.*
- (c) ***Review with employee.*** *A supervisor must review each probationary, annual, interim, and follow-up rating with the employee. Both the supervisor and the employee must sign and date each rating as evidence of the review. The employee's signature on the rating does not indicate that the employee agrees with the rating. The employee may file an explanatory statement to accompany the rating.*

- (d) **Use of ratings.** *A performance rating may be considered in making human resource decisions, including, for example, promotion, retention, assignment, and training.*
- (e) **Report.** *If required by the civil service regulations, each appointing authority shall report or certify probationary, annual, interim, and follow-up ratings to the department of civil service.*

2-3.2 Probationary Ratings

- (a) **Probationary ratings.** *Unless a probationary appointment has been terminated or rescinded, an appointing authority shall evaluate the performance and behavior of each probationary employee and issue a probationary rating as required in the civil service rules and regulations.*
 - (1) **Full-time employment.** *At a minimum, an appointing authority shall issue a probationary rating for a full-time probationary employee after completion of 6 calendar months and again after completion of one calendar year of employment. In addition, if the probationary employee is a new hire without status in the classified service, the appointing authority shall rate the employee after completion of 3 calendar months of employment.*
 - (2) **Less than full-time employment.** *At a minimum, an appointing authority shall issue a probationary rating for a probationary employee working less than full-time after completion of 9 calendar months and again after completion of 18 calendar months of employment. In addition, if the probationary employee is a new hire without status in the classified service, the appointing authority shall rate the employee after completion of 3 calendar months of employment.*
 - (3) **Extension of probation.** *If a probationary period is extended beyond one calendar year (for full-time employees) or 18 calendar months (for less than full-time employees), as authorized in rule 3-6.2(b) [Extension of Probationary Period], the appointing authority shall also issue a final probationary rating no later than 28 calendar days after the end of the extension of the probationary period.*
- (b) **Satisfactory probationary rating.** *A satisfactory probationary rating is not discipline and is not grievable.*
- (c) **Unsatisfactory probationary rating.** *The following apply to unsatisfactory probationary ratings:*
 - (1) **Discipline.** *An unsatisfactory probationary rating is discipline and may be the basis for additional discipline, up to and including dismissal.*
 - (2) **Grievance.** *An employee may grieve an unsatisfactory probationary rating only as authorized in rule 3-6.5 [Grievance of*

Probationary Rating or Discipline], rule 8-1 [Grievances], and the applicable regulations.

(3) Effects.

(A) *An employee who receives an unsatisfactory probationary rating is not eligible for a step increase, a performance-pay award, or reclassification until a later satisfactory rating is issued.*

(B) *The period beginning when the employee receives an unsatisfactory probationary rating is not counted as qualifying time for a step increase or reclassification. A step increase, performance-pay award, or reclassification action cannot be made retroactive to a date before a new satisfactory rating is issued.*

(4) Record. *The employee's employment record must reflect any unsatisfactory probationary rating.*

2-3.3 Annual Ratings

(a) General. *The following apply to all annual ratings for employees in compensation plans with fixed steps and in performance-pay programs.*

(1) Annual rating required. *An appointing authority shall evaluate the performance of each nonprobationary employee and issue an annual rating as required in the civil service rules and regulations.*

(2) Number and timing. *An appointing authority shall issue an annual rating at least once annually. In addition, the appointing authority may issue additional annual ratings at any time. If the employee has received an interim rating or an unsatisfactory follow-up rating, the appointing authority is not obligated to issue an annual rating for any period covered by the interim or follow-up rating.*

(3) Performance improvement plan. *If an employee receives a needs improvement annual rating, the appointing authority must establish a performance improvement plan to monitor the employee's performance. The performance improvement plan must establish a date by which the appointing authority will issue another annual rating to evaluate the employee's performance under the performance improvement plan.*

(4) Departmental review procedure. *Each appointing authority shall establish a departmental review procedure for employees to obtain a review of a needs improvement annual rating. The procedure must provide for a review by the appointing authority or the appointing authority's designee. If the annual rating is not grievable or appealable to the department of civil service, the*

review of the appointing authority is also not grievable or appealable.

(b) Compensation plans with fixed steps. *The following apply to annual ratings for employees in compensation plans with fixed steps:*

(1) Satisfactory annual rating. *A satisfactory annual rating is not discipline and is not grievable or reviewable.*

(2) Needs improvement annual rating. *The following apply to needs improvement annual ratings:*

(A) Discipline. *A needs improvement annual rating is not discipline.*

(B) Complaints. *A needs improvement annual rating cannot be grieved unless the employee alleges that the annual rating was issued in violation of rule 1-8 [Prohibited Discrimination] or rule 2-10 [Whistleblower Protection]. However, an employee may request a review of a needs improvement annual rating within the departmental review procedure authorized in subsection (a)(4).*

(C) Effects.

(1) Step. *An employee who receives a needs improvement annual rating is eligible for a step increase.*

(2) Reclassification. *An employee who receives a needs improvement annual rating is not eligible for reclassification until a later satisfactory rating is issued. A reclassification action cannot be made retroactive to a date before a new satisfactory rating is issued.*

(c) Performance-pay program ratings and actions. *The following apply to annual ratings and performance-pay actions for employees in performance-pay programs in (1) the senior executive service, (2) the senior executive management assistant service, (3) equitable classification plan (ECP) Group 4, and (4) ECP Groups 1, 2, and 3 if the state personnel director has approved the employee's inclusion in a performance-pay program:*

(1) Salary review. *An appointing authority shall complete a salary review for each employee in a performance-pay program at the same time it completes the annual rating. The appointing authority shall use the annual rating as one factor in determining the employee's eligibility for an increase in base salary or a lump sum award authorized in rule 5-3.4 [Operation of Compensation Schedules].*

(2) Satisfactory annual rating. *A satisfactory annual rating is not discipline and is not grievable or reviewable.*

(3) Needs improvement annual rating. *The following apply to needs improvement annual ratings:*

(A) Discipline. *A needs improvement annual rating is not discipline.*

(B) Complaints. *A needs improvement annual rating cannot be grieved unless the employee alleges that the annual rating was issued in violation of rule 1-8 [Prohibited Discrimination] or rule 2-10 [Whistleblower Protection]. However, an employee may request a review of a needs improvement annual rating within the departmental review procedure authorized in subsection (a)(4).*

(C) Effects.

(1) Performance-pay award. *An employee who receives a needs improvement annual rating is not eligible for a performance-pay award until a later satisfactory rating is issued. A performance-pay award cannot be made retroactive to a date before a new satisfactory rating is issued.*

(2) Reclassification. *An employee who receives a needs improvement annual rating is not eligible for a reclassification until a later satisfactory rating is issued. A reclassification action cannot be made retroactive to a date before a new satisfactory rating is issued.*

(4) Grievances regarding other performance-pay actions. *Performance-pay awards are discretionary. An employee is not authorized to grieve or appeal a performance-pay action unless a grievance or an appeal is specifically permitted in this rule or the applicable regulations.*

(A) Grievance permitted. *An employee aggrieved by any of the following performance-pay actions may file a grievance as authorized in rule 8-1 [Grievances] and the applicable regulations:*

(1) *The employee's pay is reduced.*

(2) *The appointing authority does not rate the performance of the employee at least once annually.*

(3) *The performance-pay action is alleged to violate rule 1-8 [Prohibited Discrimination] or rule 2-10 [Whistleblower Protection].*

(B) Grievance prohibited. *Except as expressly authorized in subsection (c)(4)(A), the employee cannot grieve a final*

performance-pay decision of the appointing authority. By way of example only, the following performance-pay actions cannot be grieved:

- (1) The amount of a performance-pay award.*
- (2) The failure to receive a performance-pay award.*
- (3) The distribution of a performance-pay award between a base salary adjustment and a lump sum award.*
- (4) The performance evaluation or performance-pay award of another employee.*
- (5) The decision to include a position in, or exclude a position from, a performance-pay program.*
- (6) The performance-pay program itself, including, for example, the performance standards, departmental evaluation methods, rating categories, and departmental salary-range subdivisions.*

2-3.4 Interim and Follow-up Ratings

(a) Interim ratings. *An appointing authority may evaluate the performance and behavior of an employee, including a probationary employee, and issue an interim service rating at any time. An interim rating is an unsatisfactory rating.*

(b) Follow-up ratings.

- (1) Follow-up rating period.** *If the appointing authority issues an interim rating but does not dismiss the employee, the appointing authority shall establish in writing the length of a follow-up rating period. If, during the follow-up rating period, the employee is placed on a leave of absence without pay or extended sick leave, the follow-up rating period is automatically extended for an additional period equal to the period of the employee's absence.*
- (2) Follow-up rating.** *The appointing authority shall evaluate the performance and behavior of the employee during the follow-up rating period and issue a follow-up rating as required in the civil service rules and regulations. The appointing authority shall issue the follow-up rating before or within 28 calendar days after the end of the follow-up rating period. If the appointing authority fails to issue a follow-up rating within the time allowed, the employee may, within 14 calendar days after the end of the period allowed for issuance of the follow-up rating, request in writing that the appointing authority issue the follow-up rating. If the appointing authority fails to issue the follow-up rating within 14 calendar days after the employee's written*

request, the employee is returned to satisfactory standing, effective the end of the follow-up rating period. However, the return to satisfactory standing does not nullify any prior interim rating or unsatisfactory follow-up rating or preclude the later use of any such rating.

(c) Discipline. *Interim ratings and unsatisfactory follow-up ratings are discipline and may be the basis for additional discipline, up to and including dismissal.*

(d) Grievance.

(1) Nonprobationary employee. *A nonprobationary employee who receives an interim rating or an unsatisfactory follow-up rating may grieve the rating as provided in rule 8-1 [Grievances] and the applicable regulations.*

(2) Probationary employee. *A probationary employee who receives an interim rating or an unsatisfactory follow-up rating may grieve the rating as provided in rule 3-6.5 [Grievance of Probationary Rating or Discipline].*

(e) Effects.

(1) *An employee who receives an interim rating or an unsatisfactory follow-up rating is not eligible for a step increase, a performance pay award, or reclassification until a later satisfactory rating is issued.*

(2) *The period during which the employee is rated as unsatisfactory is not counted as qualifying time for a step increase or reclassification. A step increase, performance-pay award, or reclassification action cannot be made retroactive to a date before a new satisfactory rating is issued.*

(f) Commission action. *If an employee receives an interim rating and a subsequent unsatisfactory follow-up rating and the appointing authority has taken no adverse action, the state personnel director may recommend to the civil service commission that the employee be separated from the classified service.*

Rule 2-6 Discipline

2-6.1 Discipline

(a) Authorized. *An appointing authority may discipline a classified employee for just cause.*

(b) Just cause. *Just cause includes, but is not limited to, the following:*

(1) *Failure to carry out the duties and obligations imposed by the employer, a departmental work rule, or law, including the civil service rules and regulations.*

(2) *Conduct unbecoming a state employee.*

(3) *Unsatisfactory service or performance.*

(c) **Forms of discipline.** *Permissible discipline includes, but is not limited to, the following:*

- (1) *An unsatisfactory probationary rating, an interim rating, or an unsatisfactory follow-up rating.*
- (2) *A written reprimand.*
- (3) *Reduction in pay.*
- (4) *Suspension without pay.*
- (5) *Demotion.*
- (6) *Dismissal from the classified service.*

* * *

2-6.2 Disciplinary Conference

(a) **Disciplinary conference required.** *If an appointing authority is contemplating imposing discipline, the appointing authority shall schedule a disciplinary conference. The appointing authority shall notify the employee in writing of the conference, charges, and possible penalties. If the employee fails to attend the disciplinary conference, the employee waives the right to a conference.*

(b) **Disciplinary conference not required.** *An appointing authority is not required to hold a disciplinary conference in any of the following circumstances:*

- (1) *The appointing authority suspends an employee for investigation, as provided in rule 2-6.4 [Suspension for Investigation].*
- (2) *The appointing authority suspends an employee charged with a crime, as provided in rule 2-6.5 [Suspension for Criminal Charges].*
- (3) *The employee is not on an approved leave of absence and has failed to report for work for 3 or more consecutive scheduled work days.*

2-6.3 Representation

An employee who is scheduled for a disciplinary conference may be represented at the conference by a person authorized in rule 6-5 [Rights of Employees]. The charged employee is responsible for notifying the employee's representative of the conference. The conference will not be unreasonably delayed due to the representative's unavailability.

* * *

Rule 3-6 Probation and Status

3-6.1 Probationary Period

- (a) **New employee without status.** *A newly appointed classified employee who does not have status in the classified service when appointed must satisfactorily complete a working test period, called a probationary period, and receive a final satisfactory probationary rating as provided in rule 2-3 [Performance Ratings] as a condition of continued employment.*
- (b) **Employee with status.** *An employee with status who is appointed to a new classification must satisfactorily complete a working test period, called a probationary period, and receive a final satisfactory probationary rating as provided in rule 2-3 [Performance Ratings] as a condition of continued appointment in that position.*
- (c) **SES and SEMAS exceptions.** *This rule does not apply to persons appointed to positions in the senior executive service (SES) and the senior executive management assistant service (SEMAS).*

3-6.2 Length of Probationary Period

- (a) **Minimum length.** *The minimum length of a probationary period is 12 calendar months of full-time employment or 18 calendar months of less than full-time employment.*
- (b) **Extension of probationary period.** *If the department of civil service or the appointing authority determines that (1) the probationary period has been insufficient to adequately test the performance of a probationary employee or (2) the performance of a probationary employee has been unsatisfactory, the department or the appointing authority may extend the probationary period for an employee. Any extension beyond an additional 6 calendar months requires the approval of the state personnel director. The department or appointing authority shall give written notice of the extension of the probationary period to the employee.*
- (c) **Leave without pay during probationary period.** *If a probationary employee is placed on a leave of absence without pay or on extended sick leave, the period of the leave of absence does not count toward completing the probationary period and the length of the probationary period is automatically extended for an additional period equal to the length of the employee's absence.*

3-6.3 Unsatisfactory Service

- (a) **Employee without status.** *If an employee without status does not perform satisfactorily during the probationary period, as provided in rule 2-3 [Performance Ratings], the appointing authority may dismiss or otherwise discipline the employee at any time during the probationary period or within 28 calendar days after the probationary period ends. The appointing authority shall give notice of a dismissal or other discipline to the employee*

and the department of civil service no later than 28 calendar days after the probationary period ends.

- (b) Employee with status.** *If an employee with status is appointed to a new classification and does not perform satisfactorily during the probationary period, as provided in rule 2-3 [Performance Ratings], the appointing authority may, at any time during the probationary period or within 28 calendar days after the probationary period ends, (1) dismiss or otherwise discipline the employee or (2) rescind the appointment and demote the employee.*

3-6.4 Satisfactory Service; Notice

If an employee's service during the probationary period is satisfactory, the appointing authority shall give notice to the employee and the department of civil service within 28 calendar days after the probationary period ends.

3-6.5 Grievance of Probationary Rating or Discipline

- (a) Probationary employee without status.** *A probationary employee without status who is dismissed or otherwise disciplined may grieve the discipline only within the departmental steps of the civil service grievance procedure. The employee cannot appeal a final determination of the appointing authority to the department of civil service or the civil service commission unless the employee alleges that the discipline violated rule 1-8 [Prohibited Discrimination] or rule 2-10 [Whistleblower Protection].*

(b) Probationary Employee with status.

- (1) Recision of appointment and demotion.** *A probationary employee with status (1) who receives an interim rating or unsatisfactory probationary or follow-up rating or (2) whose appointment is rescinded for any reason and who is demoted to a classification level not less than the level occupied at the time of the appointment, may grieve the rating or the recision and demotion as provided in Rule 8-1 [Grievances] and the applicable regulations. In any appeal of its final grievance decision, the appointing authority need only establish a rational basis for the rating or the recision and demotion. This subsection does not apply to the revocation of an appointment authorized in rule 3-7 [Revocation of Appointment].*

- (2) Other discipline.** *A probationary employee with status who is dismissed or disciplined other than as provided in subsection (b)(1) may grieve the rating or discipline as provided in rule 8-1 [Grievances] and the applicable regulations.*

* * *

3. **DEFINITIONS**

A. Civil Service Commission Rule Definitions

1. *Appointing authority* means each of the following:
 - (a) *A single executive heading a principal department.*
 - (b) *A chief executive officer of a principal department headed by a board or commission.*
 - (c) *A person designated by either of the preceding as responsible for administering the personnel functions of the department, board, commission or agency of convenience.*
2. *Status* means the recognition of an employee who has been properly appraised, qualified, and appointed to the classified service and who has satisfactorily completed the probationary period in an indefinite or limited-term appointment.

B. Additional Definitions as used in this Regulation

1. **Competency** means the ability, skill, knowledge, and motivation needed for success on the job.
2. **Equitable Classification Plan (ECP) Group 1** means nonsupervisory classifications that typically require less than a bachelor's degree for entry. Employees in these positions typically provide technical, office, paraprofessional, and other services that do not require a four-year degree.
3. **Equitable Classification Plan (ECP) Group 2** means nonsupervisory classifications that typically require a bachelor's degree or higher, or an equivalent combination of education and experience, for entry.
4. **Equitable Classification Plan (ECP) Group 3** means managerial and supervisory classifications that typically direct programs within a state agency and play an integral role in the management and supervision of state services. These positions are typically section heads, unit heads, and other positions that are organizationally or functionally equivalent.
5. **Equitable Classification Plan (ECP) Group 4** means the second highest tier of classified management positions that administer programs within a state agency. These positions are typically division directors, office directors, bureau directors, their deputies, and other positions that are organizationally or functionally equivalent.

6. ***Probationary period*** means a working test period that every person appointed to a new classification must satisfactorily complete as a condition of continued employment.
7. ***Senior Executive Management Assistant Service (SEMAS)*** means positions that perform administrative support, management assistant, and related executive support activities. These positions report to policy-making boards and commissions, department directors, members of the senior executive service, and other equivalent unclassified positions.
8. ***Senior Executive Service (SES)*** means the highest level classified positions in which the employees typically (1) report directly to state department directors or boards and commissions heading principal departments, (2) formulate and implement major policy, or (3) influence major programs and policies relating to the critical mission of each state department.
9. ***Supervisor***, for the purpose of this regulation, means the person who has formal authority for enforcing directives and ensuring satisfactory performance of subordinates. A supervisor may be immediately superior in the employee's chain of command or may be removed, but directly in the employee's chain of command.

4. **STANDARDS**

A. **Rating Forms.**

1. Performance Management and Competency Rating forms used for (1) probationary ratings; (2) annual ratings for nonprobationary employees; and (3) progress reviews, including reviews conducted at the 6-month point after conversion or hire into a performance-pay plan classification are listed below:

Group 1 Employees	CS-1750
Group 2 Employees	CS-1751
Group 3 Managers	CS-1761
Group 3 Supervisors	CS-1752
Group 4/SES Employees	CS-1719
IT Program Employees	CS-1744
Assistant Attorney General	CS-1762

An appointing authority may use an alternative rating form approved by the Department of Civil Service until the department begins using the on-line forms as provided in Standard A.2 below.

2. An on-line performance management form accessible through HRMN Manager and Employee Self-Service is to be used instead of the above listed rating forms for all annual and probationary ratings. Each

department must have a plan approved by the state personnel director that addresses the timing of the transition of the department's employees to the automated performance management system. Any exceptions must be approved by the state personnel director.

3. For purposes of this regulation, ratings of "Meets Expectations" and "High Performing" are equivalent to a satisfactory rating.
4. A separate interim rating form, Interim Employee Rating (CS-375), must be used for interim and follow-up ratings.

B. Probationary Ratings.

1. Probationary periods are required in any one of the following circumstances: (1) hire; (2) promotion; and (3) lateral job change between departments to a different classification. A probationary period is not required for Senior Executive Service (SES) and Senior Executive Management Assistant Service (SEMAS) employees.
2. A new probationary period is required for a lateral job change of a probationary employee to the same classification in a different department, or to a different classification within the same department.
3. For reinstatement, lateral job change to a different classification in the same department, or demotion of status employees or lateral job change of a probationary employee to the same classification within the same department, a new probationary period is not required but may be established.
4. Full-time probationary employees shall be reviewed upon completion of 6 months and 12 months of service. Less than full-time probationary employees shall be reviewed upon completion of 9 months and 18 months of service. New hires without status shall also be reviewed upon completion of 3 months of service.
5. All supervisory, managerial, administrative, and executive employees must have included in their performance management plan, a factor or competency to establish a performance expectation for conducting timely and effective employee ratings.
6. Probationary ratings should be completed by the supervisor within 28 calendar days of the end of the rating period.
7. An employee who disagrees with a rating may prepare and submit to the appointing authority a written statement taking exception to the rating. Using the on-line form, an employee may enter an exception to the rating in the Employee Progress Review/Comments section.
8. The probationary period will continue upon reclassification upward in a series only if the employee has not completed the probationary period before the effective date of the reclassification.

9. An employee who receives an unsatisfactory probationary rating is not eligible for a step increase, a performance-pay award, or reclassification until a later satisfactory rating is issued.
10. If an employee has received an unsatisfactory probationary rating, the effective date of a step increase, performance-pay award, or reclassification action cannot be made retroactive to a date before a new satisfactory rating is issued.
11. An appointing authority may demote or dismiss an employee receiving an unsatisfactory rating. If an unsatisfactory rating is issued at the 12-month point but the employee is not dismissed, the appointing authority must extend the probationary period and issue a final probationary rating no later than 28 calendar days after the end of the extended probationary period.
12. If an employee with status is appointed to a new classification level and does not perform satisfactorily at the new level, the appointing authority may demote the employee to the former level at which the employee gained status or dismiss the employee. In the event that the appointing authority chooses demotion and there is no vacant position at the former level, the employee may exercise employment preference in accordance with rule 2-5 [Employment Preference].
13. Satisfactory ratings are not considered discipline and are not grievable.
14. An unsatisfactory probationary rating is considered discipline and shall be conducted in accordance with rule 2-6 [Discipline].
15. The appointing authority must sign and date, or electronically certify, all probationary ratings.
16. The appointing authority must enter any unsatisfactory probationary rating in the employee's HRMN record (ZP26.1) if the rating was not completed through the on-line system. Any subsequent satisfactory rating must also be entered on the ZP26.1.
17. The appointing authority must notify the state personnel director of all unsatisfactory probationary ratings within 28 calendar days of the rating.
18. An unsatisfactory probationary rating may be grieved in accordance with the provisions of regulation 8.01 [Grievance and Grievance Appeal Procedures] or applicable collective bargaining agreements.

C. Annual Rating and Progress Review (Nonprobationary Employees).

1. An annual rating of an employee's performance shall be conducted. The appointing authority shall determine whether employees will be rated on their anniversary date, or if a common annual review date will be established. The supervisor shall review the employee's performance and behavior in relation to the established performance factors, objectives, and competencies.

2. A factor or competency to establish a performance expectation for conducting timely and effective employee ratings must be included in the performance management plan for all supervisory, managerial, administrative, and executive employees.
3. Modifications to performance factors, objectives, or competencies may be made at any time to reflect a change of assignments or expectations. When changes are made, the employee and supervisor must sign and date, or electronically certify, the revised rating form.
4. Progress reviews should be conducted and regular feedback should be provided during the course of the annual rating period. Employees in performance-pay plan classifications may receive a progress and pay review 6 months after appointment or conversion to a performance-pay classification.
5. Annual ratings should be completed by the supervisor within 28 calendar days after the end of the rating period.
6. If the employee has received an interim rating or an unsatisfactory follow-up rating, the appointing authority is not obligated to issue an annual rating for any period covered by the interim or follow-up rating.
7. If a "Needs Improvement" rating is issued and other corrective action has not been taken, the appointing authority must establish a plan for improving the employee's performance or behavior. The plan should be established within 14 calendar days of the rating. Another annual rating to evaluate the employee's performance under the improvement plan must be conducted within one month from the date the improvement plan is issued.
8. If at that point the employee is not performing satisfactorily, regular progress reviews should continue until the employee is performing satisfactorily.
9. At the point the employee is performing satisfactorily, a satisfactory annual rating should be issued.
10. If the subsequent annual rating does not reflect satisfactory performance, an interim service rating should be issued.
11. The period of reviews following a "Needs Improvement" annual rating should typically be no longer than 6 months.
12. An employee who is under a "Needs Improvement" rating is eligible for a step increase.
13. An employee who is under a "Needs Improvement" rating is not eligible for a reclassification until a later satisfactory rating is issued. A reclassification action cannot be made retroactive to a date before a new satisfactory rating is issued.

14. An employee who disagrees with a rating may prepare and submit to the appointing authority a written statement taking exception to the rating. Using the on-line form, an employee may enter an exception to the rating in the Employee Progress Review/Comments section.
15. The appointing authority shall establish a departmental review procedure or plan to address ratings of "Needs Improvement". The procedure shall be a part of the departmental performance management plan.
16. Annual ratings and progress reviews are not discipline and are not grievable. However, an employee may request a review of the rating as provided in the departmental review procedure noted in 14.
17. The appointing authority must sign and date, or electronically certify, a "Needs Improvement" rating.

D. Interim and Follow-up Ratings.

1. Interim ratings may be conducted at any time to document and rate an employee's unsatisfactory performance or behavior.
2. An interim rating shall address specific performance or behavior problems, identify specific expectations for improvement, and establish a time frame for improvement during a follow-up rating period.
3. An unsatisfactory interim rating is typically preceded by counseling, reprimands, or other forms of corrective action regarding the employee's performance or behavior.
4. A follow-up rating period must be established whenever an unsatisfactory interim rating is issued and the employee is not dismissed. Unless a different duration-rating period is established, the duration of a follow-up rating period is 3 months.
5. During the follow-up rating period, the employee should be provided feedback regarding his/her performance and behavior.
6. If an employee performs satisfactorily during the follow-up rating period, the employee shall receive a satisfactory rating to be effective at the end of the rating period.
7. If an employee's performance is unsatisfactory during the follow-up rating period, counseling memos, reprimands, or other forms of corrective action are typically taken followed by an unsatisfactory follow-up rating.
8. The follow-up rating is due within 28 calendar days after the end of the follow-up rating period. If the appointing authority does not issue a follow-up rating before or within 28 calendar days after the end of the rating period, the employee may request in writing that one be issued. If the appointing authority does not issue a follow-up rating within 14

calendar days after the employee's request, the employee shall be returned to satisfactory standing effective at the end of the rating period.

9. If the employee goes on a leave of absence or extended use of sick leave, the follow-up rating period is automatically extended.
10. The appointing authority must sign and date an unsatisfactory interim or follow-up rating.
11. The appointing authority must enter any unsatisfactory interim rating in the employee's HRMN record (ZP26.1). Any subsequent satisfactory rating must also be entered on the ZP26.1.
12. The appointing authority must notify the state personnel director of an unsatisfactory interim follow-up rating within 28 calendar days of the rating.
13. If an employee's last two service ratings have been unsatisfactory and the appointing authority has taken no adverse action, the state personnel director may recommend to the civil service commission that the employee be removed from the position.
14. An unsatisfactory interim or follow-up rating is considered discipline and shall be conducted in accordance with rule 2-6 [Discipline].
15. An employee who disagrees with a rating may prepare and submit to the appointing authority a written statement taking exception to the rating.
16. An employee under an unsatisfactory interim or follow-up rating is not eligible for a step increase, a performance-pay award, or reclassification until a later satisfactory rating is issued.
17. A step increase, performance-pay award, or reclassification action cannot be made retroactive to a date before a new satisfactory rating is issued.
18. An unsatisfactory interim or follow-up rating may be grieved in accordance with the provisions of regulation 8.01 [Grievance and Grievance Appeal Procedures] or an applicable collective bargaining agreement.

E. Audit and Compliance.

1. All ratings are subject to audit by the Department of Civil Service.
2. Probationary, interim, and unsatisfactory ratings must be placed in the employee's official personnel file for a period of four years.
3. Annual ratings must be maintained for a period of four years from the date of issuance. Ratings completed on-line will be stored in HRMN for a minimum of four years from the end of the rating period.

5. PROCEDURES

A. Probationary Ratings.

Responsibility	Action
Supervisor or Supervisor and employee	1. Identifies performance factors that are measurable and specific to establish expectations for the rating period. Selects appropriate competencies to be rated. For Group-1 employees, only competencies are required and performance factors are optional.
Supervisor	2. At the beginning of each rating period reviews the performance factors, objectives, and competencies with the employee. Explains the established expectations and criteria for the employee's performance rating at the end of that review period.
Employee	3. Signs and dates the paper form or certifies on-line, verifying review of factors, objectives, or competencies, and that the supervisor explained expectations and criteria.
Supervisor	4. Signs and dates the paper form and provides the employee with a copy of the signed rating form, or certifies on-line. 5. At the time of rating, provides a review of the employee's performance for the period covered. The evaluation must address what the employee accomplished in relation to established expectations and how the employee met, exceeded, or did not meet the objectives of the rating period as identified in the performance factors, objectives, or competencies.

Responsibility (continued)	Action (continued)
Supervisor	<ol style="list-style-type: none"> 6. If an unsatisfactory rating is to be given, provides for appropriate notice and requested representation to employee as required in rule 2-6. 7. Discusses the rating with the employee. Obtains the employee's signature or on-line certification. The employee's signature or certification does not necessarily mean that the employee agrees with the rating and rating assigned. 8. Indicates an employee's refusal to sign the form. The form will be processed as if the employee had signed. This is done on-line using the Refusal Override certification. 9. Signs and retains a copy of the paper form, gives the employee a copy and forwards the original to the appointing authority, or certifies the rating on-line. 10. At the end of the rating period, the supervisor must identify performance factors, objectives, or competencies for the next rating period.
Employee	<ol style="list-style-type: none"> 11. An employee who disagrees with a rating may prepare and submit to the appointing authority a written statement taking exception to the rating. Using the on-line form, an employee may enter exception to the rating in the Employee Progress Review/Comments section. 12. An employee who receives an unsatisfactory rating may grieve the rating in accordance with rule 8-1.

Responsibility (continued)	Action (continued)
Appointing Authority	<ol style="list-style-type: none"> 13. Signs and dates all probationary ratings. Files the employee's written statement with the rating. Retain in employee's official personnel file. 14. Notifies the state personnel director of any unsatisfactory probationary rating. 15. Enters unsatisfactory rating in the employee's HRMN record (ZP26.1). Enters end date for Hours Since Last Step time accrual plan on TA60.1 when applicable. Enters subsequent satisfactory rating on the ZP26.1. Deletes the end date for the Hours Since Last Step time accrual plan and enters the effective date of the satisfactory rating in the Plan Entry date field.

B. Annual Ratings and Progress Reviews.

Responsibility	Action
Supervisor	<ol style="list-style-type: none"> 1. Identifies performance factors that are measurable and specific to establish expectations for the rating period. Selects appropriate competencies to be rated. For Group-1 employees, only competencies are required and performance factors are optional. 2. At the beginning of each rating period, reviews the performance factors, objectives, or competencies with the employee. Explains the established expectations and criteria for the employee's performance rating at the end of that review period.

Responsibility (continued)	Action (continued)
Employee	3. Signs and dates the paper form or certifies on-line, verifying the review of factors, objectives, or competencies. In addition, sign off that supervisor explained expectations and criteria.
Supervisor	4. Signs and dates the paper form and provides the employee with a copy of the signed rating form, or certifies on-line. 5. Conduct progress reviews and provide regular feedback during the rating period. 6. At the time of rating, provides a review of the employee's performance for the period covered. The rating must address what the employee accomplished in relation to established expectations and how the employee met, exceeded, or did not meet the objectives of the rating period as identified in the performance factors, objectives, or competencies. 7. Discusses the rating with the employee. Obtains the employee's signature or on-line certification. The employee's signature or certification does not necessarily mean that the employee agrees with the rating and rating assigned. 8. Indicates an employee's refusal to sign the form. The form will be processed as if the employee had signed. This is done on-line using the Refusal Override certification.

Responsibility (continued)	Action (continued)
Supervisor	<p>9. Retains the paper form, gives the employee a copy, and provides certification to the appointing authority. For a "Needs Improvement" rating, not completed on-line, retains a copy of the form, gives the employee a copy and forwards the original form to the appointing authority.</p> <p>10. At the end of the rating period, the supervisor must identify performance factors, objectives, or competencies for the next rating period.</p>
Employee	<p>11. An employee who disagrees with a rating may prepare and submit to the appointing authority a written statement taking exception to the rating or appeal the rating through the departmental review procedure. Using the on-line form, an employee may enter exception to the rating in the Employee Progress Review/Comments section.</p>
Appointing Authority	<p>12. If a "Needs Improvement" rating is issued, establish a plan for improving the employee's performance or behavior.</p> <p>13. Signs and dates, or electronically certifies, "Needs Improvement" ratings. Files the statement with the rating.</p>
Supervisor	<p>14. For a "Needs Improvement" rating, conducts another annual rating.</p> <p>15. If an employee is not performing satisfactorily, continue regular progress reviews. Issue satisfactory annual rating when employee is performing satisfactorily.</p> <p>16. If the subsequent annual rating is not satisfactory, issue an interim rating.</p>

C. Interim and Follow-up Ratings.

Responsibility	Action
Supervisor	<ol style="list-style-type: none">1. If an unsatisfactory rating is to be given, provides for appropriate notice and requested representation to employee as required in rule 2-6.2. At the time of rating, provides a written review to the employee. The rating shall address specific performance or behavior problems and identify expectations for improvement.3. Discusses the rating with the employee. Obtains the employee's signature. The employee's signature does not necessarily mean that the employee agrees with the rating.4. Indicates an employee's refusal to sign the form. The form will be processed as if the employee had signed.5. Retains a copy of the form, gives the employee a copy and forwards the original to the appointing authority.6. Establish follow-up rating period if the employee is not dismissed.7. Provide feedback to the employee regarding performance and behavior during the follow-up rating period.8. If an employee performs satisfactorily during the follow-up rating period, issue a satisfactory follow-up rating.9. If an employee performs unsatisfactorily during the follow-up rating period, proceed with counseling memos, reprimands, or other corrective action.

Responsibility (continued)	Action (continued)
Employee	<p>10. If a follow-up rating is not issued, the employee may request that one be issued, in accordance with Standard D, 8.</p> <p>11. An employee who disagrees with a rating may prepare and submit to the appointing authority a written statement taking exception to the rating or grieve the rating in accordance with regulation 8.01.</p>
Appointing Authority	<p>12. Signs and dates unsatisfactory interim or follow-up ratings. Files the statement with the rating.</p> <p>13. The appointing authority shall forward a copy of any unsatisfactory rating to the state personnel director. The rating shall be reflected on the employee's employment record. Enters unsatisfactory rating in the employee's HRMN record (ZP26.1). Enters end date for Hours Since Last Step time accrual plan on TA60.1 when applicable. Enters subsequent satisfactory rating on the ZP26.1. Deletes the end date for the Hours Since Last Step time accrual plan and enters the effective date of the satisfactory rating in the Plan Entry date field.</p>
Department of Civil Service	<p>14. May recommend removal of an employee if the last two service ratings have been unsatisfactory and the appointing authority has not taken adverse action.</p>

CONTACT

Questions regarding this regulation should be directed to the Department of Civil Service, P.O. Box 30002, 400 South Pine Street, Lansing, Michigan 48909; by telephone, at 517-373-3048 or 1-800-788-1766; or by e-mail to MDCS-BHRS@michigan.gov.

NOTE: Regulations are issued by the State Personnel Director, under authority granted in the *State of Michigan Constitution* and the *Michigan Civil Service Commission Rules*. Regulations that implement Commission Rules are subordinate to those Rules.